

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

**FILED**  
OCT -7 2015  
SUSAN Y. SOONG  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

**EDL**

UNITED STATES *ex rel.*,  
[UNDER SEAL]

Relator,

v.

[UNDER SEAL]

[UNDER SEAL]

[UNDER SEAL]

[UNDER SEAL]

Defendants.

**CV 15 4654**

Civil Action No.: \_\_\_\_\_

**SEALED  
BY COURT ORDER**

JURY TRIAL DEMAND

**FILED IN CAMERA AND**

**UNDER SEAL PURSUANT TO  
31 U.S.C. § 3730**

**DO NOT ENTER INTO PACER**

**DO NOT ENTER IN CM/ECF**

**DO NOT PLACE IN PRESS BOX**

**FILED UNDER SEAL**

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10  
11 **IN THE UNITED STATES DISTRICT COURT**  
12 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**

13 U.S. ex rel. CONCEPCION  
14 SAENZ-CAMBRA  
15 250 King Street Apt. 630  
16 San Francisco, CA 94107

17 Relator,

18 v.

Civil Action No: \_\_\_\_\_

19 INTERNATIONAL  
20 TECHNOLOGICAL UNIVERSITY  
21 2711 N. 1st Street  
22 San Jose, CA 95134

23 Serve: Gregory O'Brien  
24 367 Santana Heights #5039  
25 San Jose, CA 95128

26 And

27 TESLA MOTORS, Inc.  
28 3500 Deer Creek Road  
Palo Alto, CA 94304

Serve: C T Corporation System  
818 W. 7<sup>th</sup> Street, Ste. 930  
Los Angeles, CA 90017

BETA SOFT SYSTEMS, Inc.  
42808 Christy Street, Ste. 101

COMPLAINT

CASE NO. \_\_\_\_\_

1 Fremont, CA 94538 )  
 2 )

3 Serve: Vishal Mangla )  
 4 2346 Rutherford Lane )  
 5 Fremont, CA 94538 )  
 6 )

7 DOES. 1-50, )  
 8 )

9 Defendants. )  
 10 )

## 11 FALSE CLAIMS ACT COMPLAINT

### 12 INTRODUCTION

13 1. Qui tam relator Concepcion Saenz-Cambra ("Saenz-Cambra" or "Relator"), by her  
 14 attorneys, individually and on behalf of the United States of America, files this complaint  
 15 against Defendants International Technological University ("ITU"), Tesla Motors, Inc.  
 16 ("Tesla"), Beta Soft Systems, Inc. ("Beta Soft"), and Does. 1-15, (hereinafter collectively  
 17 referred to as "Defendants"), to recover damages, penalties, and attorneys' fees for  
 18 violations of the federal False Claims Act, 31 U.S.C. §§ 3729 *et seq.*, ("FCA" or "False  
 19 Claims Act").

20 2. Defendants' violations of the False Claims Act arise from fraudulent claims that  
 21 Defendants made to the U.S. Government when Defendants falsely certified that  
 22 individuals were full-time students complying with federal requirements under the  
 23 Student and Exchange Visitor Program ("SEVP") in order to fraudulently obtain F-1  
 24 student visas for individuals enrolled at ITU in lieu of H-1 work visas.

### 25 JURISDICTION AND VENUE

26 3. This Court has subject matter jurisdiction over this action under 28 U.S.C. § 1331 and 31  
 27 U.S.C. § 3732(a).  
 28

- 1 4. This Court has personal jurisdiction over ITU pursuant to 31 U.S.C. § 3732(a) because
- 2 ITU is headquartered in this judicial district.
- 3 5. This Court has personal jurisdiction over Tesla pursuant to 31 U.S.C. § 3732(a) because
- 4 Tesla is headquartered in this judicial district.
- 5 6. This Court has personal jurisdiction over Beta Soft pursuant to 31 U.S.C. § 3732(a)
- 6 because Beta Soft is headquartered in this judicial district.
- 7 7. This Court has personal jurisdiction over Dos. 1-50 pursuant to 31 U.S.C. § 3732(a) and
- 8 CAL. CIV. PROC. CODE § 410.10 (West 1970) because Dos. 1-50 are headquartered in this
- 9 judicial district, conduct substantial, continuous, and systematic activities within this
- 10 judicial district, or this dispute has a substantial connection with Dos. 1-50's contacts
- 11 with this judicial district.
- 12 8. Venue is proper in this Court under 28 U.S.C. §§ 1391(c), 28 U.S.C. §1395(a), and 31
- 13 U.S.C. § 3732(a) because Defendants can be found in and transact business in this
- 14 judicial district.
- 15
- 16

#### 17 THE PARTIES

- 18 9. Relator Concepcion Saenz-Cambra is a naturalized U.S. Citizen of Spanish origin and a
- 19 resident of San Francisco County, California.
- 20 10. Saenz-Cambra currently works for Defendant ITU as the Director of Faculty Affairs, a
- 21 position she has held since October 2014.
- 22 11. Defendant ITU is a California non-profit graduate university founded in 1994, with its
- 23 headquarters and principal place of business in San Jose, California.
- 24 12. Defendant Tesla is an automotive manufacturer specializing in the design and
- 25 manufacture of electric cars.
- 26
- 27
- 28

1 13. Defendant Beta Soft is a software development company employing over 500  
2 individuals, primarily in the Silicon Valley area.

3 14. Does. 1-50 are other Silicon Valley employers that conspired with ITU to falsely certify  
4 employees as students for the purposes of obtaining student visas in lieu of work visas.  
5

6 **FACTUAL ALLEGATIONS**

7 **Background Information as it Relates to ITU**

8 15. ITU was founded in 1994 in San Jose, California by Dr. Shu-Park Chan, the tenth son of  
9 the famous General Jitang Chen, Warlord of Guangdong Province (a.k.a. Canton  
10 Province) ("Warlord Chen") in Southern China from 1928 to 1936.

11 16. During his tenure, Warlord Chen worked to improve infrastructure, social services,  
12 hospital care, education, and city resources that would ensure safety and prosperity for all  
13 citizens living within the city.  
14

15 17. As the political climate changed throughout China, Warlord Chen was forced to retreat to  
16 Taiwan and was unable to realize the second part of his vision, to modernize China by  
17 replicating his high-tech city model throughout the nation. Warlord Chen sent Chan, his  
18 son, to America, charging him to absorb the best of the American education system and  
19 then return to China to continue its development.  
20

21 18. In keeping with his father's charge, Chan obtained his Ph.D. in electrical engineering  
22 from the University of Illinois at Urbana-Champaign (UIUC) and embarked on a thirty  
23 year teaching career at Santa Clara University.

24 19. Chan retired from teaching in 1994 to found ITU with the vision of providing electrical  
25 engineering and computer sciences education that bridged the gap between academic  
26 theory and practical application on a global scale. As such, ITU's curriculum and  
27  
28

1 operations are heavily oriented to international students and the Silicon Valley industrial  
2 community.

3 20. Over 85% of ITU's students are international students studying on student visas. These  
4 students hail from over 22 countries, but most come from India.

5 21. ITU's graduate degrees also cater to Silicon Valley businesses, with programs in  
6 electrical engineering, digital arts, computer science, engineering management, and  
7 business administration. Additionally, ITU hires Silicon Valley working professionals as  
8 instructors in lieu of academics.

9 22. Chan's son, Yau-Gene Chan ("Y. Chan"), joined ITU as Executive Vice President in  
10 2005, and succeeded Chan as President in 2010.

11  
12 **ITU's Rocky Accreditation History**

13 23. ITU obtained accreditation from the Accrediting Council for Independent Colleges and  
14 Schools ("ACICS") on or about July 1, 2001.

15 24. However, on or about December 31, 2004, ACICS revoked ITU's accreditation.

16 25. In 2005, ITU's attendance hit an all-time low, with only eighteen students enrolling.

17 26. From 2005 to 2011, ITU held no accreditations.

18 27. During this time, ITU marketed its academic programs across the United States and  
19 several Asian countries. One such academic program included was ITU's Executive  
20 Doctor of Business Administration/Master of Business Administration ("EDBA/MBA")  
21 distance learning program.  
22  
23  
24  
25  
26  
27  
28

28. ITU claimed that the EDBA/MBA program was accredited by ACICS, as seen below:

**Accredited, flexible, convenient and Affordable!**



# International Technological University

1650 Warburton Ave, Santa Clara, CA 95050

**Accredited by the Accrediting Council for Independent Colleges and Schools (ACICS).**

**One of national recognized accrediting agency in the United States**

**Recognized by both the U. S. Department of Education and  
Council for Higher Education Accreditation (CHEA)**

# EDBA/MBA

**Executive Doctor of Business Administration/**

**Master of Business Administration**

**By Distance Learning with tutorial support & examination preparation**

29. But in fact, ITU had no accreditation from ACICS or any accreditation institution at the time, and ACICS has never accredited the EDBA/MBA program.

30. From 2005 to 2014, ITU's enrollment has sharply risen. In 2008, ITU enrolled over 600 students, and by 2014, that number had increased to over 1500 students.

31. On or about January 19, 2011, Tri Valley University ("TVU"), a nearby school, was shut down after the government found that the school was perpetuating visa fraud on a widespread basis. Over 90% of TVU's student body was from India, 'studying' on F-1 student visas. But federal investigators found that the vast bulk of TVU's classes were scarcely attended or fictional. Many students lived outside of California, and the extent of their TVU education was paying \$2,700 per semester in exchange for a student visa.

1 32. ITU absorbed many of TVU's international students after TVU's shut-down. On or  
2 about February 16, 2011, ITU held a mandatory orientation for International Students.  
3 The students appeared to already be admitted but, as seen below, the Mandatory  
4 Orientation Notice indicates that the students had not yet applied to ITU:  
5

## 6 **Mandatory Orientation Notice**

7 *February 16, 2011 Events*

8 February 16, 2011

### 9 **MANDATORY ORIENTATION NOTICE**

10 Dear Applicant:

11 Welcome to International Technological University. We look forward to having you participate in  
12 the International Student Program on February 17, 2011 at 12 pm by Dr Greg O'Brien.

13 This Student Orientation provides former Tri-Valley students a comprehensive overview of the  
14 Application Process and the International Student Program.

15 Following Topics will be discussed during the course of the event:

- 16
- 17 • Filling and Submission of the Application Form
  - 18 • Furnishing of Supporting Documents
  - 19 • Information about the School Policies
  - 20 • Briefing about Departments and Courses
  - 21 • Protocol for Classes

22 A Q&A Section answering the student concerns and queries will succeed these events.

23 NOTE: It is MANDATORY for all the former Tri-Valley Students who wish to join International  
24 Technological University to attend this orientation.

25 33. By around that time, ITU's reputation as a "visa mill" was well established.  
26  
27  
28



34. One student described ITU as follows:

Zic Z.  
Sunnyvale, CA  
0 friends  
16 reviews

9/14/2011

First to Review

This is the most stupid school I have ever seen teachers are fine.. but the accounting and registration staff is pathetic .. all they care about money not even a 5% concern about students .. its just a money machine and nothing else .. they changed admission's staff last sem but it has gone down even more..

I know a lot of students from this school and everybody has taken admission in this school for visa purpose .. there is not even a single local student here. ITU is a big fat joke..

Get in to state university if you care about your future and career

BUT STAY AWAY FROM THIS SCHOOL IF YOU WANT TO LEARN SOMETHING

Was this review ...?

Useful 20 Funny 9 Cool 5

35. On or about February 22, 2013, ITU received accreditation from the Western Association of Schools and Colleges, Senior College and University Commission ("WASC").

36. But that accreditation is already on thin ice.

37. On or about October 14, 2014 to October 16, 2014, WASC visited ITU for a "Special Visit" to review ITU's progress regarding faculty adequacy, assessment, institutional research, and Strategic Planning. The Special Visit was a condition of ITU's 2013 accreditation.

38. WASC's Special Visit team initially issued a positive evaluation following the Special Visit.

39. However, WASC quickly reversed its positive evaluation of ITU and conducted a second visit on or about February 6, 2015.

- 1 40. After the February 6, 2015 visit, WASC issued a second report directing ITU to take  
2 several steps to remedy issues including:
- 3 a. knowing submission of inaccurate student records, data or related information to  
4 SEVIS,
  - 5 b. use of institutional funds for the benefit of the President and his close associates  
6 apart from internal processes and controls,
  - 7 c. inappropriate provision of I-20 visas, apart from established admissions protocols,  
8 for persons otherwise not qualified to gain admission to the University,
  - 9 d. placement of apparently unqualified persons in charge of critical institutional  
10 functions for the evident purpose of hastening admissions and avoiding normal, due  
11 processes, together with the instruction from the CEO that these persons find ways to  
12 work around inconvenient compliance barriers,
  - 13 e. questionable use of “Presidential Exceptions” and “Department Chair Exceptions” in  
14 which students with either questionable qualification or incomplete application  
15 documents were admitted by individual action and in violation of the institution’s  
16 admission standards and procedures, and
  - 17 f. significant commitment of institutional resources in service of initiatives that have  
18 little alignment with the core academic mission of a WASC accredited graduate  
19 university but appear more in keeping with the President’s global ambitions – to the  
20 detriment of essential core functions of the institution.
- 21  
22  
23  
24 41. In response to WASC’s findings, ITU’s Board of Trustees removed Y. Chan as the  
25 university’s president and took steps to increase the Trustees’ involvement in the  
26 university’s operations.  
27  
28

1 42. On or about May 6, 2015, WASC visited ITU again. Noting the changes the Board had  
2 made, WASC gave ITU a positive evaluation, but noted additional actions needed to be  
3 taken to remedy all of ITU's shortcomings.

4 43. However, ITU continues to flagrantly circumvent WASC accreditation requirements and  
5 federal law.

6  
7 **ITU's Circumvention of Federal Statutory Requirements Overseeing Student Visas**

8 44. The Form I-20 (also known as the Certificate of Eligibility for Nonimmigrant (F-1)  
9 Student Status-For Academic and Language Students) is a document issued by SEVP  
10 certified schools that provides supporting information on a student's F (academic) or M  
11 (vocational) status.

12 45. ITU issues I-20s in support of students' status so students can obtain an F-1 (student)  
13 visa. An F-1 visa requires a student to pay a \$160 application fee and a \$200 Student and  
14 Exchange Visitor Information System ("SEVIS") fee, bringing total fees to \$360.

15 46. The only employees allowed to issue I-20s are "Designated School Officials" ("DSOs")  
16 registered with the Department of Homeland Security ("DHS"). As an SEVP certified  
17 school, ITU was aware of this requirement.

18 47. For example, until on or about December 2014, David Khoperia was in charge of ITU's  
19 International Students Office ("ISO"). Khoperia had been put in the position by Sophia  
20 Gu, a senior official at ITU, in an effort to ensure that the Head of ISO was loyal to Gu.

21 48. Khoperia was not a DSO and was not qualified to work in the ISO, as by law, he should  
22 not have had access to students' I-20s or SEVIS records.

23 49. Both Gu and Khoperia have been the subject of multiple complaints that the two "manage  
24 by intimidation" and interfering with lower-level ITU employees' ability to properly do  
25 their jobs in accordance with the law.  
26  
27  
28

- 1 50. During his tenure as Head of ISO, Khoperia repeatedly took over DSOs' appointments  
2 with students and would perform duties only legally allowed to be performed by DSOs.
- 3 51. For example, Khoperia reviewed Requests for Evidence letters ("RFEs") issued by the  
4 United States Customs and Immigration Services ("USCIS").
- 5 52. When DSOs interviewed students to gather information needed to determine whether an  
6 I-20 recommendation could be made, Khoperia reported them to Human Resources for  
7 spending too much time talking to the students. Khoperia also kept the ISO office closed  
8 to students for a period of time.
- 9 53. Another time, Khoperia directed a DSO to issue an I-20 with a blank third page and hand  
10 write the information, instead of following the ordinary process and recording the  
11 recommendation in the ("SEVIS"). Khoperia himself then wrote a letter to USCIS asking  
12 them to approve the I-20.
- 13 54. At another time, Khoperia forced a DSO create a large number of I-20s without names  
14 and then leave Khoperia with access to them. The nameless I-20s did not subsequently  
15 appear in ITU's internal systems.
- 16 55. Khoperia also made requests to USCIS for SEVIS records, despite the law requiring that  
17 only DSOs make such requests.
- 18 56. Even after SEVIS banned ITU from using the system following discovery of some of  
19 these abuses, Khoperia used a former DSO's login credentials to access the SEVIS  
20 systems for issuing I-20s.
- 21 57. Despite Khoperia repeatedly being caught breaking rules regarding I-20s and DSOs, he  
22 remains employed with the university and was actually promoted to be the Head of  
23 Compliance in the department that handles student visas and related information.
- 24  
25  
26  
27  
28

1 58. After Khoperia was promoted, Suman Bhargava was promoted to Head of ISO.

2 Bhargava was a DSO and was legally allowed to access SEVIS and issue I-20s.

3 59. However, ITU did not allow Bhargava to access systems that would allow him to check  
4 who is being issued I-20s.

5 60. In fact, ITU employee Mary Tran, who works in ITU Admissions and is close with Gu,  
6 instructed ISO staff to lie to Bhargava in order to prevent him from accessing I-20  
7 information. Tran indicated that the instruction came from O'Brien.

8 61. Despite this, under Bhargava's tenure, ISO's backlog of student requests was drastically  
9 reduced and ISO came into compliance with SEVIS requirements.

10 62. However, in or about early February, 2015, O'Brien demoted Bhargava.

11 63. O'Brien stated that Bhargava was demoted because an immigrant could not legally be the  
12 Head of ISO.

13 64. But no such law actually prohibits an immigrant from holding the Head of ISO position.

14 65. As a result of Bhargava's demotion, ISO employees Hayat Adem, Jonelle Howard, and  
15 Amy Chaung wrote letters in support of Bhargava, noting his exemplary performance and  
16 resolution of the problems that were prominent under Khoperia.

17 66. On or about February 12, 2015, O'Brien appointed Gu to be Interim Head of ISO.

18 O'Brien also appointed Gu to oversee the Department of Admissions on an interim basis.

19 67. But WASC had previously emphasized the importance of keeping the Department of  
20 Admissions and ISO separate in order to avoid any conflicts of interest, maintain integrity  
21 in the admissions process, and comply with federal law.

22 68. In or about April 2015, O'Brien appointed Jimmie White as the new Director of ISO.

23 69. White had over 35 years' experience in higher education and previously worked in  
24 international student affairs at the University of California Los Angeles.

70. By about June or July 2015, however, White had discovered a number of serious infractions relating to the issuing of I-20s. White threatened to report the infractions, but O'Brien paid White to not report the infractions.

71. White is still technically employed by ITU, but has not been seen on campus since in or about June or July 2015.

72. Additionally, in or about September 2015, ITU hired Jeremy Wintringer as the new Director of ISO.

**ITU Intentionally Fails to Track Whether  
Students Meet SEVP Full-Time Study Requirements**

73. ITU also fails to follow SEVP requirements to ensure that all I-20 students register at the beginning of the academic year.

74. ITU has deliberately created a siloed process that makes it impossible to check that all I-20-issued students enroll.

75. ITU cannot even determine where all of the university's students live, let alone whether they live within commuting distance of the school, as stated in the email below:

Hello All,

Here is the breakdown based on available information for students enrolled in Summer 15.

Residence Type	Percentage
Within 50 miles	67.91%
Not within 50 miles	32.09%

Source: Zip code information was obtained from <http://www.freemaptools.com/find-zip-codes-inside-radius.htm>

Note not all students gave us their current addresses. I have informed RO and ISO to enforce the address requirement by ITU and SEVIS.

Let me know if you have any questions.

Matthew Ng

1 76. In many cases, students live several states away from ITU and some have never even  
2 been to ITU's campus.

3 77. Additionally, class attendance is not formally tracked by either ITU or most teachers, as  
4 indicated in the following email:

5 ----- Forwarded message -----

6 From: Tom Tafolla <ttafolla@itu.edu>

7 Date: Thu, Jan 15, 2015 at 3:07 PM

8 Subject: Re: ITU - Instructor's Guide

9 To: Concepcion Saenz-Cambra <csaenz-cambra@itu.edu>

10 Thank you very much for your feedback, Conchi. I value it. Frankly, it doesn't  
11 matter that much to me what the school decides. Ultimately, I believe it is clearly  
12 the school's responsibility to handle this immigration compliance issue in a  
13 reasonable, accurate, and true manner.

14 Frankly, I don't know how the Designated School Official (DSO) for immigration  
15 purposes can actually sign-off that ITU is in legal compliance with the rules and  
16 regulations of the USCIS regarding attendance.

17 It doesn't matter to me because the university keeps assuring faculty that we  
18 don't have to actually take attendance and that apparently it is not the  
19 responsibility of the university, but that of faculty.

20 I think this is a potentially fatal misunderstanding of the law; either mine or the  
21 university's.

22 Remember, the parting words of the WASC accreditation team was that we  
23 should be very mindful of potential legal compliance issues. ITU has already  
24 been warned.

25 Tom

26 78. But ITU provides documentation verifying attendance even though, in most cases, ITU  
27 does not and cannot know whether a student has attended classes.

28 79. And ITU knows that the university is required to report to USCIS any student's deviation  
from the SEVP required full-time attendance, as well as its students' current local  
addresses.

1 80. As seen below, ITU claims that the school does not take attendance for purposes of  
2 academic integrity:

3 Hello Tom,

4 Thanks for your request and feedback. There have actually been many  
5 discussions on building an attendance feature into the EMS in the past.

6 From a technical perspective, the feature would be very easy to build. There is  
7 not much logic to it.

8 The core reason that we have not built an attendance feature into the EMS is  
9 because we want ITU's courses to be focused on engaging students in learning,  
10 not just measuring the number of butts in seats. There is no actual educational  
11 quality added by taking attendance. There is also no specific regulations  
12 requiring that attendance be taken for students, to include international students.

13 There are, however, other methods that some professors are using that are  
14 recommended and serve the function of both documenting that students are in  
15 class, as well as adding to the educational quality of our courses.

16 You can create an assignment that is only open to students during class time and  
17 ask them questions to gauge how much they have been paying attention in your  
18 class.

19 This is a win-win because it doesn't take the valuable time away from instructors  
20 teaching their courses, it provides a way to engage students in learning, and also  
21 acts to document a student's time in the classroom.

22 I hope this addresses our reasons for not building a specific feature for tracking  
23 attendance in the EMS.

24 Thanks,  
25 Mikel

26 81. But ITU's verifications that a student attends class, without any knowledge or basis for  
27 such verifications, are false statements made to the government regardless of why ITU  
28 does not take attendance.

82. Furthermore, online classes have extremely lax requirements, such as posting a single  
idea in an online forum.

83. Additionally, ITU pressures professors to provide attendance verification, in some cases  
even when the school knows that the student has not attended class, as seen in the email  
exchange below for two students who were kicked out of the class for cheating.



84. In other cases, when professors do try to take attendance, “weird” things happen, as seen in the following email:

----- Forwarded message -----

From: **Tony Nguyen** <nguyen@itu.edu>

Date: Sun, May 3, 2015 at 5:09 AM

Subject: Re: Misunderstanding regarding the final exam

To: Concepcion Saenz-Cambra <csaenz-cambra@itu.edu>

Cc: May Huang <mhuang@itu.edu>

Hi,

I am facing a more complicated issue here that it seems. May be you can help me solve it.

In the morning before the exam, I asked students to put their names on a sign-in sheet that is passed around in class. Then the exam started and I collected the sign-in sheet

I counted the names on the sign-in sheet and I did a head count of the number of students in class.

And surprise:

There were **2 more names on the sign-in sheet** than the actual physical persons in class ! And there were no students leaving the classroom at the start of the exam.

I could not believe it, so I repeated the physical head count again twice . And the result was the same : 2 more names on the sign-in sheet than the actual students in class. I let the students know about this, because this is a weird issue

I decided and told the students they should sign out with me when they finish the exam before they leave the classroom. This served 2 purposes:  
- to find out the students who actually did the exam inside the classroom  
- to verify their submission in EMS, because EMS could have problem with file attachment

I announced to students clearly that if they do not personally check out with me, then their presence is not verified.

After the exam, I reconciled the sign-in and sign-out sheet, and I found out the 2 names that are on the sign-on sheet but did not checked out. The number 2 explains the difference between the physical headcount of those who were inside the classroom and did check-out with the extra names on the sign-in sheet.

Thanks for helping me in this puzzling issue.

**Grade Inflation and Fabrication**

85. At most schools, signing in at an exam would not be sufficient to pass the class, as the school could simply look to see who did not complete the exam.
86. At ITU, however, large scores of students that never attend class receive passing grades and even "A" grades.
87. For example, in the Fall 2014 Production and Operations Management Class allegedly taught by Stephen Hyatt, all of the students received grades of "A" or "B," though there is no indication that any students attended the class, turned in any assignments, or completed any exams, as indicated by the table below:

MGTN 920-1	Production and Operations Management	Stephen Hyatt	Fall 2014
Id	Name	Class Participation	Attendance (10%)
83133	Avinash Puppala	0/0	0/0
83659	Haritha Kethineni	0/0	0/0
85511	Krishnaja Lakkakula	0/0	0/0
86092	Pragati Uddhav Shirname	0/0	0/0
82237	Rajeev Siddhoju	0/0	0/0
83041	Shivata Chowdhry	0/0	0/0
84478	Sowmya Gowru	0/0	0/0
86594	VARUN KUMAR BAKKA	0/0	0/0
1020131	Vinay Kumar Radharapu	0/0	0/0
87400	WEI SUN	0/0	0/0
82544	Xingyi Tang	0/0	0/0
84109	Xuti Song	0/0	0/0
12200247	Zeeshan Mohammed Armar	0/0	0/0
83213	Zichen Yuan	0/0	0/0

Mid-Term (30%)	Final (40%)	Weighted Score	Current Grade	Final Grade	Email
0/0	0/0	0%	F	A	avinashpuppala@gmail.com
0/0	0/0	0%	F	A	haritha.kethineni@gmail.com
0/0	0/0	0%	F	A	klakkakula@yahoo.com
0/0	0/0	0%	F	B	86092.shirname@students.itu.edu
0/0	0/0	0%	F	B	rajeevsiddhoju@gmail.com
0/0	0/0	0%	F	A	chowdhryshweta@gmail.com
0/0	0/0	0%	F	A	sowmyareddy.gowru@gmail.com
0/0	0/0	0%	F	A	86594.bakka@students.itu.edu
0/0	0/0	0%	F	A	1020131.radharapu@students.itu.edu
0/0	0/0	0%	F	A	87400.sun@students.itu.edu
0/0	0/0	0%	F	B	xingyicindy@gmail.com
0/0	0/0	0%	F	A	songxuti@gmail.com
0/0	0/0	0%	F	B	zeeshanarmar@gmail.com
0/0	0/0	0%	F	A	mr.yuanzichen@gmail.com

88. And when there are grades for assignments, despite terrible raw academic performances, large numbers of students pass their classes and more often than not receive A grades.

89. For example, in the Summer 2014 Data Mining class, over half the class received raw scores below 70% (D or lower), even after the professor allowed students to complete an extra credit assignment to boost their grades. But somehow, no student received below a C- as their final grade, as demonstrated in the table below.

CS 831-1	Data Mining	Ming-Hwa Wang Summer 2014	
Id	Name	term project (25%)	midterm exam (15)
84075	Gautham Pai Gopinath	255 / 300	88 / 200
85065	Jayalakshmi Ramachandran	285 / 300	24 / 200
84987	Mohan Reddy Palagiri	250 / 300	46 / 200
1020317	Prijesh Bhaskar	250 / 300	22 / 200
804039	Pushpander Pratap Singh	255 / 300	115 / 200
84108	Ramya Keerthi Namburi	270 / 300	60 / 200
86545	Remya Nekkuth Melath	270 / 300	127 / 200
83359	Sandhya Yadav	255 / 300	120 / 200
85621	Sarathchandra Dindu	250 / 300	80 / 200
85390	Shri Rachana Rajasekaran	255 / 300	76 / 200
86448	SIMMY PAYYAPPILLY VARGHESE	280 / 300	120 / 200
84190	Smita Dinesh Dubal	250 / 300	58 / 200
83611	Sushma Thigala	270 / 300	108 / 200
82365	Swathi Meher Teegela	255 / 300	46 / 200
85966	Swati Raj Saini	270 / 300	29 / 200
84898	Vanisree Cholleti	245 / 300	16 / 200
86776	Venu Gopal boddapati	250 / 300	35 / 200

final exam (15%)	programming assign	bonus assignment	Weighted Score	Current Grade	Final Grade	Email
74 / 200	309 / 400	133 / 140	70.8%	C-	A	gauthampai.g@gmail.com
40 / 200	271 / 400	125 / 140	62.3%	D-	A-	r_jaya1987@yahoo.in
47 / 200	235 / 400	101 / 140	56.3%	F	B+	director.mohan100@gmail.com
17 / 200	184 / 400	73 / 140	45.4%	F	C+	iprijesh@gmail.com
120 / 200	360 / 400	135 / 140	80.3%	B-	A+	pushpander.singh@gmail.com
74 / 200	170 / 400	87 / 140	54.6%	F	B+	ramyanvinay@gmail.com
150 / 200	341 / 400	137 / 140	83.5%	B	A+	remyasivan.20@gmail.com
150 / 200	360 / 400	135 / 140	83%	B	A+	sandhya.yadav2311@gmail.com
86 / 200	211 / 400	120 / 140	62%	D-	A-	sarathriet@gmail.com
58 / 200	200 / 400	123 / 140	59.5%	F	A-	shrirachanar@gmail.com
95 / 200	284 / 400	138 / 140	75.5%	C	A	simmyvarghese5@gmail.com
77 / 200	325 / 400	128 / 140	69%	D+	A	dubalsmita@gmail.com
89 / 200	261 / 400	127 / 140	70.5%	C-	A	sushma572@gmail.com
55 / 200	0 / 400	56 / 140	34.8%	F	C-	teegela.s@gmail.com
53 / 200	170 / 400	107 / 140	52.9%	F	B	85966.saini@students.itu.edu
7 / 200	168 / 400	79 / 140	43.2%	F	C+	vanisree.reddy455@gmail.com
32 / 200	240 / 400	110 / 140	55.6%	F	B+	venuboddapati@gmail.com

90. In one case, a faculty member wanted to fail a student for cheating and remove the student from class, but the Provost asked the professor not to do this so the student could keep his visa. The professor advised the Provost that this violated immigration law and he would not agree; when the Provost overruled him, the professor resigned, as seen in the following emails:

Dr. Azzouni,

Thanks for your effort to uphold the academic integrity of ITU and understanding the need for the students to attend class on-campus to stay in status. We agreed that these students will attend your class but in a different room. Since they are still enrolled in your class, could you please check their attendance? The Student Conduct Committee will support you to give F to these students.

Thanks

Karl

On Friday, July 3, 2015, Abdullah Azzouni <aazzouni@itu.edu> wrote:  
Dear Dr. Wang,

I had some time to reflect and get some advise about this situation. The fact that ITU wants me to record the students attendance despite them failing the class so they can maintain their visa status is potentially in conflict with the immigration law. This is something I absolutely have no intention or desire to be involved in at any cost.

So, I want to be absolutely clear about my decision. I will not record their attendance and I will not allow them into my class (as I have been doing since they cheated). The ramifications on the students outside the classroom is nothing of my concern nor is my responsibility nor it is anybody's responsibility but the students themselves. This is my final decision and I am sure I have the full support of ITU.

Best regards,

Abdullah Azzouni

On Jul 3, 2015 8:28 PM, "Karl Wang" <kwang@itu.edu> wrote:  
Dr. Azzouni,

I do not agree with you decision to not allow student to attend class because they cheated on an quiz. Doing so will cause them to loss status and possibly result in immigration problem. I will therefore allow the students to attend your class and ask registra to take attendance if you are unwilling.

Best

Karl

-----  
From: "Abdullah Azzouni" <aazzouni@itu.edu>  
Date: Jul 3, 2015 8:33 PM  
Subject: Re: Yesterday's Meeting  
To: "Karl Wang" <kwang@itu.edu>  
Cc: "Cornel Pokorny" <cpokorny@itu.edu>, "Amal Mougharbel" <amougharbel@itu.edu>

OK, you can do whatever you believe is appropriate for ITU. This will clearly undermine my position as the instructor of the class. Please find someone else to teach my classes. This is my official resignation.

91. ITU also has an informal system of promoting faculty that pass students who do not deserve it.

1 92. ITU engages in such grade inflation and fabrication in order to give the impression that  
2 students are actually receiving an education.

3 **For Many Students, ITU Circumvents its own Admissions Process,**  
4 **Sometimes Solely so the Applicant can Obtain an F-1 Visa**

5 93. ITU recently created a “Presidential Exception” and a “Chair Exception” that allows  
6 administrators to make admissions decisions without adhering to ordinary admissions  
7 criteria.

8 94. WASC found that these Exceptions have been used to admit students that would  
9 ordinarily be denied admission due to questionable qualifications or incomplete  
10 application documents.

11 95. For example, the 70-80 point score range on the Test of English as a Foreign Language  
12 exam (“TOEFL”) is considered to be a low-level basic English proficiency, and ITU  
13 generally looks for scores of 80 or above.  
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96. But ITU regularly accepts students with low-level English proficiency, and in recent years has accepted students with TOEFL scores as low as in the fifties, as seen in the following table:

Student ID	Name	Stage	TOEFL	TOEFL/IELTS Exam Date	IELTS	Dept Chair Approval Needed?
86737	<u>Drashti Parikh</u> <u>Summer 2015</u>	Admitted ? Enrolled	75	9/27/2014		1
84790	<u>Mahesh Kumar Jakka</u> <u>Summer 2015</u>	Admitted ? Enrolled	78	1/18/2009		0
89038	<u>Bindi Shah</u> <u>Summer 2015</u>	Admitted ? Enrolled	78	2/28/2015		1
100292	<u>Sankalpa Murthy</u> <u>Vyakaranam</u> <u>Summer 2015</u>	Admitted	78	10/26/2008		1
89066	<u>Sapna Maheshwari</u> <u>Summer 2015</u>	Admitted	79	1/16/2015		0
89085	<u>Vanitha Jayasri</u> <u>Gurram</u> <u>Summer 2015</u>	Admitted ? Enrolled	56	1/31/2015		6 1
89081	<u>Megha Dhoke</u> <u>Summer 2015</u>	Admitted ? Enrolled	77	3/1/2014		1

97. And ITU was aware that SEVP requires students to be proficient in English or enrolled in courses leading to English proficiency.

98. Sometimes Silicon Valley employers ask ITU to circumvent the admissions process so their employee can apply and gain admission to ITU solely for the purposes of obtaining an F-1 visa.

99. For example, in the email below, Tesla recently inquired about sending an employee to ITU because that employee was not able to get his H-1 work visa extended, and enrolling in a master degree program at ITU would allow the employee to obtain an F-1 visa instead.

---

From: Concepcion Saenz-Cambra  
 Sent: 4/16/2015 6:35 PM  
 To: Roxana Rohde  
 Subject: Re: International student admission still possible?

Hey Roxana,

I have forwarded your email to Admissions and Student Services. They will be contacting you very shortly.

Thank you!

Conchi

On Thu, Apr 16, 2015 at 10:01 AM, Roxana Rohde <[roxanarohde2@gmail.com](mailto:roxanarohde2@gmail.com)> wrote:  
 Hi Conchi,

My husband has an exceptional colleague in his team at Tesla Motors and might not be possible to get his current visa prolonged. I know it's last minute, but is it still possible for him to apply for a master program at ITU and get F1 visa? Tesla is willing to pay for his tuition and other fees.

Please let me know or connect me with the admission responsible at ITU for further details.

Thank you in advance,  
 Roxana

100. Tesla even offered to pay the employee's tuition and fees.

101. However, the inquiry was motivated solely by the employee's need to obtain another visa, not a desire to obtain his master degree.

102. Both Tesla and the employee intended to, and in fact did continue the employee's full-time employment at Tesla.

103. ITU was aware of this intention and practice, and also aware that SEVP prohibits off-campus employment for F-1 visa students in their first year.

104. The Tesla employee in question was not able to complete his application on time, so his supervisor sent the email below asking ITU to circumvent the university's admissions policies and admit the student regardless.

----- Forwarded message -----

From: Mark Lipscomb <[mlipscomb@teslamotors.com](mailto:mlipscomb@teslamotors.com)>

Date: Sun, Aug 9, 2015 at 5:38 PM

Subject: Tesla Engineer and ITU

To: "mtran@itu.edu" <[mtran@itu.edu](mailto:mtran@itu.edu)>, "csaenz-cambra@itu.edu" <[csaenz-cambra@itu.edu](mailto:csaenz-cambra@itu.edu)>

Dear Ms. Tran and Ms. Saenz-Cambra,

I am writing in support of Jochen Wilden's application for admission to engineering graduate studies at ITU for the upcoming Fall term. It appears that despite his best efforts to get his background paperwork in place in time, he has missed the deadline and is being told he cannot enter ITU until Spring.

On behalf of Tesla Motors, I appeal to you to give his case special consideration to see if he can be admitted in September. Otherwise, his work visa expires and he has to leave the US in October. He is an extremely valued employee and unfortunately, he missed this year's lottery for an H1B work visa. His manager rates him as one of our top engineers, and we have no doubt that he would make a solid addition to your program at ITU.

His application was derailed by a prolonged post office strike in Germany, and despite several requests, his alma mater would not FedEx his academic records to the credential equivalency evaluation company, WES. By the time the documents arrived at WES in New York, it was too late for the application deadline. (Note that Tesla had already obtained academic equivalency through another agency; unfortunately not one recognized by ITU, see attached.)

If you would reconsider his application for the Fall Term, please be assured that he has the full support of Tesla to make this a success all around. If there is anything we can do on our end, please do not hesitate to call me (cell number below) or email me. Thank you for your consideration. I look forward to hearing back from you.

Best,

Mark

Mark Lipscomb | Vice President, HR

[408.679.4335](tel:408.679.4335) | [mlipscomb@teslamotors.com](mailto:mlipscomb@teslamotors.com)



105. And ITU did, because, in the Provost's words in the following email, "Tesla is a good and well respected company" and university staff should "take this opportunity to establish a relationship with Tesla to pave the way for other internship opportunity for other students."

----- Forwarded message -----

From: Karl Wang <kwang@itu.edu>

Date: Sun, Aug 9, 2015 at 8:36 PM

Subject: Re: Tesla Engineer and ITU

To: Concepcion Saenz-Cambra <csaenz-cambra@itu.edu>, Mary Tran <mtran@itu.edu>

Cc: Timothy Li <tli@itu.edu>

I think Tesla is a good and well respected company who is very selective in choosing their employee. Therefore, we can consider conditional admission for the fall trimester based on the recommendation and credential presented by Tesla. In the meanwhile, the student needs to complete his diploma certification from WES to be considered for admission as a regular student. Of course, the student has to following the Internship policy that applied to all incoming students.

I encourage Tim to take this opportunity to establish a relationship with Tesla to pave the way for other internship opportunity for other students.

Thanks

Karl

---

Dr. Karl L. Wang  
Provost  
Director of Technology  
Professor of Electrical and Computer Engineering  
International Technological University ([www.itu.edu](http://www.itu.edu))  
2711 North First Street  
San Jose, CA 95134  
(408)204-6832

### ITU's "Internship" Program

106. Such full-time employment arrangements are commonplace at ITU, even though SEVP prohibits off-campus employment during the first year of studies on an F1 visa.

107. In fact, ITU requires all of its students to hold at least one internship.

108. ITU works closely with Silicon Valley employers to facilitate arrangements similar to that with Tesla.










109. That is, employers hire ITU's international students for full-time 'internships,' without the hassle of obtaining an H-1 work visa for the employee.

110. Many large Silicon Valley employers are complicit in the arrangement, and take advantage of the 'internship' program liberally.

111. For example, Beta Soft has hired several ITU students as 'interns,' as can be seen in ITU's student files:

sities ▶ ITU Course Records ▶ CPT Internships ▶ Betasoft Systems - IT Consultancy Interns

are with ▼ Burn New folder

<input type="checkbox"/> Name	Date modified	Type	Size
 Business Analyst - Bhagyashri Ritpurkar - Last Found	3/30/2015 12:50 A.	PDF File	125 KB
 Business Analyst - Bhavna Pawar	3/30/2015 12:59 A.	Microsoft Word D.	23 KB
 QA Analyst - Jyoti Kaushik	3/29/2015 11:28 PM	PDF File	198 KB
 QA Analyst - Purva Gajeratwar	3/30/2015 12:04 A.	PDF File	224 KB
 QA Tester - Beauty Devpura	3/29/2015 11:53 PM	Microsoft Word D.	19 KB
 QA Tester - Kakali Mahapatra	3/29/2015 11:49 PM	PDF File	111 KB
 QA Tester - Pinali Vasoya	3/29/2015 11:27 PM	Microsoft Word D.	219 KB
 Recruiter Intern - FNU Anuradha	3/29/2015 2:37 PM	PDF File	267 KB
 Sr. Business Analyst - Aditya Chenchu	3/29/2015 11:30 PM	Microsoft Word D.	16 KB

112. But the job titles of these students indicates that these are ordinary full-time positions, not internships, and these 'internships' do not meet the criteria for SEVP approved student employment.

113. SEVP requires any off-campus student employment to be related to their area of study, but many ITU students work in full-time positions that have nothing to do with their studies.

114. For example, one ITU student studying Computer Science was employed by Beta Soft as a recruiter (though the position title admittedly included the term “intern” in name), as seen in the offer letter below:

December 02, 2014

**To Whomsoever It May Concern:**

Beta Soft Systems located at 42808 Christy Street, Suite 101, Fremont, CA 94538 has offered FNU Anuradha the position of Recruitment Management Intern.

FNU Anuradha will be working at location 42808 Christy Street, Suite 101, Fremont, CA 94538. She will be working 40 hours paid full time per week as an intern and her start date will be from January 20, 2015.

**Responsibilities:**

Candidate will work on following IT technologies/ Responsibilities that will be used in different projects on client's side:

- Responsible for hiring the candidates for the technical and management positions.
- Interviewing the candidates based on their technical skills and behavioral skills.
- Creating project related documentation.
- Creating Test Plan for increasing the revenue for the company.
- Conducting JAD sessions to discuss the marketing strategies and plans for the growth of the company.
- Working on the Job Description of the candidates by using the engineering and programming skills like Java, C++, C, VB, XML Programming languages.
- Using SQL as a Database.
- Quality Assurance Testing Tools.

115. In another instance, an ITU student was found to be ‘interning’ at a gas station.

116. Still others are employed on a full-time basis across the country.

117. Despite that so many of its international students are working full-time and either failing to attend class or performing poorly in class, ITU continues to certify to the government that these individuals are students.

118. However, these individuals essentially use the F-1 visas they obtain by enrolling at ITU as H-1 work visas.

119. Silicon Valley employers are implicit in this scheme because F-1 visas are far cheaper than H-1 work visas, which cost \$2,325, and unlike H-1 visas, which are capped at 65,000 issued per year, there is no cap on F-1 visas, so F-1 visas are far easier to obtain.

1 120. However, when these Silicon Valley employers enroll an employee at ITU, they lie in  
2 order to obtain the F-1 visa.

3 121. And when Silicon Valley employers hire ITU students on F-1 visas as regular full-time  
4 employees, ITU, the employer, and the student all lie to the government.

5 **ITU's Intimidation and Retaliation Against those who Attempt to Do Right**

6 122. ITU responds to staff attempting to remedy ITU's illegal conduct with intimidation and  
7 retaliation.

8 123. For example, in or about October 2014, Rebecca Choi resigned as a result of political  
9 maneuvering by those propagating the illegal behavior at ITU.

10 124. In the following months, Gu told her direct reports, including Relator Saenz-Cambra to  
11 disregard direct requests from President Y. Chan. Most of Gu's direct reports obeyed her  
12 direction, and when Saenz-Cambra attempted to do her job and carry out Y. Chan's  
13 requests, she was stonewalled by Gu's other direct reports. As a result of Saenz-  
14 Cambra's resistance, Gu ceased all one-on-one meetings with Saenz-Cambra.

15 125. Gu also prevented staff from remedying ITU's illegal activity by refusing to hold  
16 meetings for the Department of Academic Services.

17 126. In about January 2015, Gu advised Saenz-Cambra that there were going to be changes in  
18 upper management and that Saenz-Cambra "should start interviewing for other jobs."

19 127. At the same time, Khoperia continued to blatantly disregard the law in his management  
20 of the ISO office and interfere with his subordinates' attempts to comply with the law.

21 128. On or about January 27, 2015, Y. Chan offered Relator Saenz-Cambra the Head of  
22 Academic Services position because Y. Chan recognized that Saenz-Cambra could help  
23 correct ITU's non-compliance as Head of Academic Services.  
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1 129. Later that night, Saenz-Cambra's colleague, Lei Gong, walked her to the train station and  
2 told her not to take the job and that there would be consequences she could not foresee,  
3 including legal consequences. Gong told Saenz-Cambra that she should quit her job and  
4 leave ITU.

5 130. Shortly thereafter, WASC visited ITU and issued its poor evaluation of the school.

6 131. As a result of WASC's report, the Board of Trustees removed Y. Chan as President and  
7 instated Gregory O'Brien as President.

8 132. In or about early February, 2015, O'Brien demoted Bhargava, who had taken over the  
9 ISO after Khoperia was promoted and drastically improved the ISO's efficiency and  
10 compliance with the law from Khoperia's tenure.

11 133. O'Brien stated that Bhargava was demoted because an immigrant could not legally be the  
12 Head of ISO, but Bhargava was a DSO and, as such, was qualified and legally allowed to  
13 issue I-20s and access SEVIS records. Furthermore, there was no such law prohibiting an  
14 immigrant from holding the position.

15 134. Bhargava was actually demoted because he was properly trained on I-20s and SEVIS  
16 and, under his watch, F-1 visas could not illegally be given to individuals barely  
17 purporting to be students.

18 135. On or about March 26, 2015, Saenz-Cambra learned that a news organization was going  
19 to do a piece on ITU's transgressions. Saenz-Cambra reported what she learned to the  
20 Board of Trustees' attorney.

21 136. O'Brien was infuriated by Saenz-Cambra's actions and told her that she was not allowed  
22 to speak to the Board of Trustees' attorney again.

23 137. Shortly thereafter, O'Brien promoted Gu, despite the many complaints about her  
24 management.

1 138. On or about June 26, 2015, Saenz-Cambra and several other staff members brought  
2 ITU's transgressions to the Board of Trustees' attention. The following day, the  
3 Chairman of the Board held a meeting to discuss the allegations.

4 139. During the July 27, 2015 meeting, O'Brien and the Provost, Karl Wang, were implicated  
5 in the wrongdoing.

6 140. At the meeting, Wang told Saenz-Cambra and the other Heads of Department that "if  
7 [they] want to work for him, [they] have to do what he tells [them] to do or [they] can  
8 leave."

9 141. The following day, Saenz-Cambra sent an email to the Head of Human Resources ("HR")  
10 detailing what happened at the meeting. On or about July 29, 2015, the Head of HR  
11 advised Saenz-Cambra that Wang had told the Head of HR that he wanted Saenz-Cambra  
12 fired. The Head of HR and ITU's legal counsel told Wang that ITU must issue Saenz-  
13 Cambra a warning before ITU could terminate Saenz-Cambra's employment.

14 142. On or about August 3, 2015, Saenz-Cambra met with Wang and the Head of HR. At the  
15 meeting, Wang provided Saenz-Cambra with several informal complaints about her  
16 performance. Wang also told Saenz-Cambra that she was not allowed to attend a Board  
17 of Trustees meeting again without providing 48 hours' notice, and reiterated his earlier  
18 direction that Saenz-Cambra was not allowed to talk to the Board of Trustees' attorney,  
19 even if the attorney contacts her directly.

20 143. ITU officials continue to threaten, intimidate, and retaliate against Saenz-Cambra and  
21 other employees in an effort to prevent ITU's wrongdoing from being exposed to Board  
22 of Trustee members and the public.

**COUNT 1**

**ITU'S FALSE CERTIFICATIONS TO THE GOVERNMENT IN ORDER  
TO OBTAIN STUDENT VISAS**

144. Relator re-alleges and incorporates the allegations in paragraphs 1-135 as if fully set forth herein.
145. By virtue of the acts described in the preceding paragraphs, Defendants knowingly made, used, and caused to be presented to the United States Government and its agencies false or fraudulent claims about individuals' student status.
146. Defendants, by representing to the U.S. Government and its agencies that the individuals enrolled at ITU were students complying with full-time attendance requirements, living within the required geographic radius around ITU, working in internships relative to their respective academic programs, and meeting other SEVIS academic requirements, fraudulently induced the Government to grant individuals F-1 visas in violation of 31 U.S.C. § 3729(a)(1)(B).
147. Prior to submitting the I-20 forms supporting individuals' F-1 visa applications, Defendants knew that these individuals were not complying with SEVIS requirements and were using F-1 visas as H-1 work visas.
148. The U.S. Government and its agencies relied on Defendants' misrepresentations about the individuals enrolled at ITU complying SEVIS requirements, and would not have approved these individuals' F-1 visas had the Government been aware that these individuals were not attending class, were working full-time in jobs unrelated to their education, and were failing to meet other SEVIS academic requirements such as English proficiency.

**COUNT 2**

**ITU'S FALSE CERTIFICATIONS TO THE GOVERNMENT IN ORDER  
TO AVOID PAYING HIGHER WORK VISA FEES**

149. Relator re-alleges and incorporates the allegations in paragraphs 1-140 as if fully set forth herein.

150. By virtue of the acts described in the preceding paragraphs, Defendants conspired to knowingly make, use, and cause to be presented to the United States Government and its agencies false or fraudulent claims about individuals' student status.

151. Defendants conspired to represent to the U.S. Government and its agencies that the individuals enrolled at ITU were students complying with full-time attendance requirements, living within the required geographic radius around ITU, working in internships relative to their respective academic programs, and meeting other SEVIS academic requirements, with knowledge that these representations were false.

152. Defendants conspired to make these false or fraudulent claims in order to fraudulently induce the Government to grant individuals F-1 visas in violation of 31 U.S.C. § 3729(a)(1)(C).

**COUNT 3**

**DEFENDANTS' CONSPIRACY TO MAKE FALSE CERTIFICATIONS TO THE  
GOVERNMENT IN ORDER TO AVOID PAYING HIGHER WORK VISA FEES**

153. Relator re-alleges and incorporates the allegations in paragraphs 1-144 as if fully set forth herein.

154. By virtue of the acts described in the preceding paragraphs, Defendants knowingly made, used, and caused to be presented to the United States Government and its agencies false or fraudulent claims about individuals' student status.



1 155. Defendants, by representing to the U.S. Government and its agencies that the individuals  
2 enrolled at ITU were students complying with full-time attendance requirements, living  
3 within the required geographic radius around ITU, working in internships relative to their  
4 respective academic programs, and meeting other SEVIS academic requirements, made  
5 false statements material to an obligation to pay or transmit money to the government.  
6

7 156. Defendants' false representations to the government induced the government to  
8 improperly grant individuals' F-1 visas instead of H-1 visas.

9 157. The government relied on Defendants' false statements in approving the F-1 visas, and  
10 would not have approved the F-1 visas but for Defendants' false statements.

11 158. Defendants' false statements caused Defendants to knowingly and improperly avoid or  
12 decrease Defendants' obligation to pay or transmit money or property to the Government,  
13 in violation of 31 U.S.C. § 3729(a)(1)(G).  
14

15 159. As a result of Defendants' false statements, Defendants knowingly and improperly paid  
16 less monies to the government for F-1 visas than they would have if Defendants properly  
17 obtained H-1 visas for the individuals.

18 160. As a result of Defendants' false statements, Defendants knowingly and improperly  
19 avoided transmitting F-1 visas for individuals not complying with SEVIS requirements  
20 back to the government.  
21

### 22 **PRAYER FOR RELIEF**

23 Relator respectfully requests that this Court enter judgment against Defendants as  
24 follows:

25 (a) That the United States be awarded damages in the amount of three times the damages  
26 sustained by the United States because of the false claims and fraud alleged within this  
27 Complaint, as the Civil False Claims Act, 31 U.S.C. § 3729 *et seq.* provides;  
28

1 (b) That civil penalties of \$11,000 be imposed for each and every false claim that Defendants  
2 presented to the United States;

3 (c) That pre- and post-judgment interest be awarded, along with reasonable attorneys' fees,  
4 costs, and expenses, which Relator necessarily incurred in bringing and pressing this case;

5 (d) That the Court grant permanent injunctive relief, including a restraining order to freeze  
6 property traceable to the fraud, to prevent any recurrence of violations of the False Claims Act  
7 for which redress is sought in this Complaint;

8 (e) That Relator be awarded the maximum percentage of any recovery allowed to her  
9 pursuant to the False Claims Act, 31 U.S.C. 3730(d)(1),(2); and

10 (f) That this Court award such other and further relief as it deems proper.

11  
12 **DEMAND FOR JURY TRIAL**

13 Relator, on behalf of herself and the United States, demands a jury trial on all claims  
14 alleged herein.

15  
16  
17 Dated: October 6, 2015

Respectfully submitted,

18 By:

19  
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21 David L. Scher, CA Bar No. 184562  
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